



STATE OF UTAH
NATURAL RESOURCES & ENERGY
State Lands & Forestry

State Forest Nursery • Prison Road • Draper, UT 84020 • 801-571-0900

File 2 ACT/047/019
Copy to Jant.
Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Ralph A. Miles, Division Director

August 8, 1983

RECEIVED
AUG 09 1983

Fairbanks Hydraulics
875 North 900 West
Salt Lake City, UT 84116

DIVISION OF
OIL GAS & MINING

RE: Seep Ridge Project, Tar Sands (ML 30576 OG&H)

JIM
AUG 09 1983

Thank you for your notification letter of August 1, 1983. I will forward your proposed tar sand pilot pit plan to the State R.D.C.C. for review and comment and will notify you within the next 60 days when the review is complete. Meanwhile, you may take steps to complete the following requirements:

1. File a "Declaration of Exemption" with the Utah Division of Oil, Gas, and Mining.
2. Post a reclamation bond with this office in the amount of \$10,000, (bond form enclosed).
3. Submit a letter from the State's lessee of record, Celsius Energy Company, (not Mountain Fuel Supply), formally designating Fairbanks Hydraulics as an operator under ML 30576.
4. Notify all other lessees or parties having a legal interest in the land.

It will be required that you maintain accurate records on the amount of tar sand extracted and pay the State a royalty on this material.

Any salvagable topsoil in the disturbed area should be carefully stockpiled for use in reclamation. We later will need to examine any cuts of highwalls you create in order to determine what sloping and regrading will be required in way of reclamation. We may require that the spent sands be seeded and used as surface cover over part of the area. This can better be decided at the time of reclamation.

Sincerely yours,

JOHN T. BLAKE
MINERALS RESOURCE SPECIALIST

JTB/mh

cc: Jim Smith
Division of Oil, Gas, and Mining